

299.500 Policies of reinsurance -- Rates -- Directors -- Liability of member companies -- Limitation of risks.

- (1) Reinsurance companies formed under KRS 299.480 may issue policies of reinsurance to and through its member companies only, on their risks, and upon the terms and rates provided for by its bylaws. Such reinsurance companies shall have not less than five (5) directors, and one (1) director shall be chosen from the officers of each member company.
- (2) The member companies shall be liable for the indebtedness of such reinsurance company, if its losses and expenses at any time exceed its income and assets, in the proportion of liability fixed by the bylaws of the reinsurance company. Such reinsurance company shall not issue policies on one (1) risk for a greater amount than a sum equal to three cents (\$0.03) for each one hundred dollars (\$100) insurance in force in its combined member companies.

Effective: September 1, 1950

History: Created 1950 Ky. Acts ch. 21, sec. 10, effective September 1, 1950.

Formerly codified as KRS 299.482